

# Statement of Retirement Account

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Each September KTRS prepares a Statement of Retirement Account for each active member. The statement covers the previous fiscal year, July 1 through June 30, and is mailed to the member's mailing address on file at KTRS. To assure prompt delivery of the annual statement, members must keep their addresses current with KTRS.

Members should review their statement and contact us immediately if they believe any information has been omitted or incorrectly stated. In addition, members may wish to update their beneficiary designation after receiving the statement.

The statement consists of three sections: Correction of Member Information, Statement of Retirement Account, and Change of Beneficiary Form.

The key elements of each section of the statement include:

### **CORRECTION OF MEMBER INFORMATION**

Part A of the Member Statement is a form to make corrections and changes regarding member information. This may include Social Security number changes, address changes, etc. There is also an area on this section to comment or remark about differences or questions you may have regarding your account. This form may be returned to KTRS if changes or comments are made.

### **STATEMENT OF RETIREMENT ACCOUNT**

#### **1. Member Information**

This section provides important information concerning your account. If you note any omissions or discrepancies, please contact KTRS.

#### **2. Service Credit**

The statement shows the member's credit at the beginning of the fiscal year, additions, and adjustments made during the year, and the balance at year-end. Members who work a full contract year should receive one year of service credit. If employment was for a portion of the fiscal year or contract year, then service credit is awarded in proportion to a full year. If you worked less than a full year and earned fractional service credit, you may be eligible to purchase the balance of the year; you should contact KTRS or your employer immediately about your right to obtain this credit since there is a time limit for this type of purchase.

#### **3. Pension Fund Balance**

This section shows the member's contributions at the beginning of the current fiscal year, additional contributions made during the year, and the member's ending balance at the year-end. The balance is split between tax-sheltered and previously taxed monies. Contributions made after August 1982 are classified as tax-sheltered contributions. The current year addition to this account or the net contribution has been reduced by your mandatory contribution (per KRS 161.420(5)) to the Medical Insurance Fund (MIF). See Computation of Net Retirement Contributions.

**4. Interest Earned**

Interest earned represents the member's beginning interest, the interest earned in the current fiscal year, and the balance at year-end. Interest is credited to the member's account annually based on the member's accumulated account balance at the beginning of the fiscal year.

**5. Accumulated Account Balance**

The balance represents the member's total monies in KTRS, including the balances in the pension fund and interest field.

**6. Service Credit Adjustments**

This field reflects all payments (prior to June 30) made by personal check and any adjustments such as changes in service credit. Service credit as of the end of the fiscal year reflected on the statement does not include credit for pending service unless the full amount of the required contribution for establishing the credit has been received at KTRS by June 30 of the fiscal year. Pending service credit is added to the total service credit in the fiscal year in which it is fully paid. A total service credit figure is given for the end of the fiscal year. Any service with another Kentucky retirement system will be reported on the member's statement of benefits from the other system.

**7. Computation of Net Retirement Contribution**

This field shows how the net retirement contribution for the current fiscal year was derived. Please check this information carefully. Do not be concerned by variations of \$1.00 or less from the actual contract salary. We compute this figure based on gross retirement contributions received in the fiscal year being reported.

**8. Designated Beneficiaries**

This section provides important information regarding the beneficiaries you have designated to receive certain benefits in the event of your death. If you marry after becoming a member, your spouse automatically becomes your primary beneficiary. Divorce voids any previous spousal beneficiary designation, and your estate, if there is no other named beneficiary remaining, automatically becomes the beneficiary unless the member subsequently designates another beneficiary. In the event of marriage, divorce, or the beneficiary's death, you should file a new beneficiary designation with KTRS. To file a new beneficiary designation, use the Change of Beneficiary Form (Form F-1C).

Your account is subject to audit at any time before or after retirement. Upon discovery of any error in System records, the System will correct all records, including but not limited to membership in the system, salary and service credit, member and employer contributions, and benefits payable.

## **CHANGE OF BENEFICIARY FORM**

This form should be completed and returned to KTRS if any changes need to be made in your beneficiary designation. You should read all instructions carefully before completing this Change of Beneficiary Form.

All information should be reviewed on the Member's Annual Statement. All discrepancies should be reported immediately in writing to KTRS. Discrepancies in retirement contribution field should also be reported to the employer.